



Office of Health Care Access Certificate of Need Application

Final Decision

Applicant: Yale University, School of Medicine, Child Study Center Outpatient Clinic

Docket Number: 05-30649-CON

Project Title: Termination of Substance Abuse Outpatient Treatment License in New Haven

Statutory Reference: Section 19a-638 of the Connecticut General Statutes

Filing Date: May 4, 2006 (30 day extension)

Decision Date: July 17, 2006

Default Date: August 2, 2006

Staff Assigned: Paolo Fiducia

Project Description: Yale University, School of Medicine, Child Study Center Outpatient Clinic (“Applicant”) is proposing to terminate its Substance Abuse Outpatient Treatment License, with no associated capital expenditure.

Nature of Proceedings: On May 4, 2006, the Office of Health Care Access (“OHCA”) received a Certificate of Need (“CON”) application from Yale University, School of Medicine, Child Study Center Outpatient Clinic to terminate its Substance Abuse Outpatient Treatment License, with no associated capital expenditure. The Applicant is a health care facility or institution as defined by Section 19a-630 of the Connecticut General Statutes (“C.G.S.”).

Pursuant to Section 19a-638, C.G.S., a notice to the public concerning OHCA’s receipt of the Applicant’s CON application was published in the *The New Haven Register*, New Haven, on December 17, 2005. OHCA received no responses from the public concerning the Applicant’s proposal. Pursuant to Public Act 05-75, three individuals or an individual representing an entity with five or more people had until May 25, 2006, the twenty-first calendar day following the filing of the Applicant’s CON Application, to request that OHCA

hold a public hearing on the Applicant's proposal. OHCA received no hearing requests from the public by May 25, 2006.

OHCA's authority to review and approve, modify or deny the CON application is established by Section 19a-638, C.G.S. The provisions of this section as well as the principles and guidelines set forth in Section 19a-637, C.G.S., were fully considered by OHCA in its review.

Findings of Fact

Clear Public Need

Impact of the Proposal on the Applicant's Current Utilization Statistics Proposal's Contribution to the Quality of Health Care Delivery in the Region Proposal's Contribution to the Accessibility of Health Care Delivery in the Region

1. Yale University, School of Medicine, Child Study Center Outpatient Clinic ("Applicant" or "Clinic") is a health care provider that provides outpatient psychiatric services for children, adolescents and their families at 230 South Frontage, in New Haven, Connecticut. *(May 4, 2006 Initial CON Application Submission, page 2)*
2. The Applicant in 1999 received its outpatient psychiatric clinic for children license from the Department of Children and Families ("DCF"). In 2001 it received an additional license from the Department of Public Health ("DPH") as a substance abuse treatment clinic. *(May 4, 2006 Initial CON Application Submission, page 2)*
3. The Applicant is proposing to terminate its Substance Abuse Outpatient Treatment License, with no associated capital expenditure. *(May 4, 2006 Initial CON Application Submission, page 2)*
4. The Applicant states that since 2001 the Clinic continued to operate solely as an outpatient psychiatric clinic for children, not as a substance abuse treatment clinic. There have been no children or adolescents treated at the Clinic with a primary diagnosis of substance abuse as long as the Clinic has been licensed as a substance abuse treatment facility. *(May 4, 2006 Initial CON Application Submission, page 2)*
5. The Applicant states that in November 2005, the Clinic's Director of Outpatient Services contacted each of the state licensing and funding agencies (DPH, DCF, and The Department of Mental Health and Addiction Services) and confirmed that the Clinic is not required to maintain a substance abuse license for either licensing or funding purposes. On this basis, the Clinic determined that it should not renew its DPH license as a substance abuse treatment facility. *(May 4, 2006 Initial CON Application Submission, page 2)*
6. The specific service components provided by the Applicant are: outpatient psychotherapeutic services for children, adolescents and families, age group birth to 18. *(May 4, 2006 Initial CON Application Submission, page 3)*

7. The hours of operation at this service location are: Monday-Thursday 8:00 am–8:00 pm, and Friday 8:00 am–5:00 pm. These services and hours of operation will continue under the Clinic’s DCF license. *(May 4, 2006 Initial CON Application Submission, page 3)*
8. The Applicant states that the primary service area is New Haven and the secondary service area is greater New Haven and the State of Connecticut. *(May 4, 2006 Initial CON Application Submission, page 3)*
9. The Applicant states that there were no substance abuse diagnoses, therefore the Clinic never billed for substance abuse treatment services. *(May 4, 2006 Initial CON Application Submission, page 3)*
10. The Applicant states that the Clinic had no referrals for substance abuse or dependence treatment services, and provided no substance abuse or dependence treatment services, and did not have any displaced patients. *(May 4, 2006 Initial Con Application Submission, page 5)*
10. The Applicant stated that Clifford Beers Clinic, The Children’s Center of Hamden and Hill Health Center, Inc. are the existing providers of treatment of substance abuse or dependent persons in the primary and secondary service area. *(May 4, 2006 Initial CON Application Submission, page 5)*
11. The Applicant’s current payer mix for the New Haven location is as follows: *(May 4, 2006, Initial CON Application Submission, Page 9)*

Table 1: Payer Mix for the New Haven location

Payer Mix	Percentage
Medicaid	78.8%
Total Government Payers	78.8%
Commercial	9.89%
Self-Pay	10.74%
Total Non-Government Payers	20.63%
Uncompensated Care	0.57%
Total Payer Mix	100.00%

**Financial Feasibility and Cost Effectiveness of the Proposal and its Impact on the Applicant’s Rates and Financial Condition
Impact of the Proposal on the Interests of Consumers of Health Care Services and Payers for Such Services
Consideration of Other Section 19a-637, C.G.S.
Principles and Guidelines**

12. The project has no associated capital expenditure. *(May 4, 2006 Initial CON Application Submission, page 8)*
13. There are no incremental gains or losses from operations as a direct result of the termination of the license for the treatment of substance abuse or dependent persons, because no substance abuse services were rendered. *(May 4, 2006 Initial CON Application Submission, page 9)*

14. There is no State Health Plan in existence at this time. *(May 4, 2006 Initial CON Application Submission, page 2)*
15. The Applicant has adduced evidence that the proposal is consistent with the Applicant's long-range plan. *(May 4, 2006 Initial CON Application Submission, page 2)*
16. The Applicant has improved productivity and contained costs by the application of technology and energy conservation. *(May 4, 2006 Initial CON Application Submission, page 6)*
17. The proposal will not result in any change to the Applicant's teaching and research responsibilities. *(May 4, 2006 Initial CON Application Submission, page 8)*
18. The Applicant states that the current patient/physician mix will not change. *(May 4, 2006 Initial CON Application Submission, page 8)*
19. The Applicant has sufficient technical and managerial competence and expertise to provide efficient and adequate service to the public. *(May 4, 2006 Initial CON Application Submission, page 7)*

Rationale

The Office of Health Care Access ("OHCA") approaches community and regional need for Certificate of Need ("CON") proposals on a case by case basis. CON applications do not lend themselves to general applicability due to a variety of factors, which may affect any given proposal; e.g. the characteristics of the population to be served, the nature of the existing services, the specific types of services proposed to be offered, the current utilization of services and the financial feasibility of the proposal.

Yale University, School of Medicine, Child Study Center Outpatient Clinic ("Applicant" or "Clinic") provides outpatient psychiatric services for children, adolescents and their families at 230 South Frontage, in New Haven, Connecticut. The Applicant is proposing to terminate its Substance Abuse Outpatient Treatment License due to the fact that it has not treated any clients with a primary diagnosis of substance abuse.

The Applicant held both an outpatient psychiatric clinic for children license from DCF and a substance abuse outpatient treatment license for adolescents and adults from DPH. However, the Clinic has continued to operate solely as an outpatient psychiatric clinic for children, not as a substance abuse treatment clinic for adolescents and adults. In November 2005, the Clinic confirmed with the state licensing and funding agencies that it is not required to maintain a substance abuse outpatient treatment license for either licensing or funding purposes. On this basis, the Clinic determined that it should not renew its DPH license as a substance abuse treatment facility.

The Applicant states that the Clinic had no referrals for substance abuse or dependence treatment services, provided no substance abuse or dependence treatment services, and did not have any displaced patients. Since no clients were ever treated for substance abuse services, the termination of the substance abuse license has not created any barriers to access in the region; therefore OHCA determines that patient access was not impacted.

The proposal has no associated capital expenditure. There are no incremental gains or losses from operations as a direct result of the termination of the license for the treatment of substance abuse or dependent persons, because no substance abuse services were rendered.

Based on the foregoing Findings and Rationale, the Certificate of Need Application of Yale University, School of Medicine, Child Study Center Outpatient Clinic to terminate its Substance Abuse Outpatient Treatment License in New Haven, at no associated capital expenditure is hereby GRANTED.

Order

The proposal of Yale University, School of Medicine, Child Study Center Outpatient Clinic to terminate its Substance Abuse Outpatient Treatment License, with no associated capital expenditure is hereby GRANTED.

Yale University, School of Medicine, Child Study Center Outpatient Clinic shall hereafter notify OHCA of any and all proposed termination of services prior to finalizing any decision to terminate any services or programs. Failure to notify OHCA in advance of any proposed termination of services may be considered as not filing required information and subject Yale University, School of Medicine, Child Study Center Outpatient Clinic to civil penalties pursuant to Section 19a-653, C.G.S.

All of the foregoing constitutes the final order of the Office of Health Care Access in this matter.

By Order of the
Office of Health Care Access

July 17, 2006

Signed by Cristine A. Vogel
Commissioner

CAV:pf